



Supporting the hair, beauty
and barbering industries

Notice of Special Resolutions to be considered at the Annual General Meeting of NHBF Members

SPECIAL RESOLUTION: Amendments to the Rules of the National Hair and Beauty Federation

To seek agreement to proposed changes to the NHBF's Rules resulting from the findings of a recent governance review by the Board of Directors. We have used the FCA's model rules as a guide to ensure the NHBF's Rules remain consistent with accepted practice. We have updated content to ensure all of the Board's agreed changes are incorporated (see **Annex A** for detailed discussion); and we have reviewed all content to ensure the Rules fully align with the NHBF's updated governance framework. The updates are summarised as follows:

Rule	New Rule	Existing Rule	Changes
Name	1	1	No changes
Definitions & interpretation	2	N/A	This section is included to ensure clarity around wording (as listed in new Rule 29).
Objects	3	2	No changes
Powers	4	3	No major changes. An update to language to reflect model rules and to avoid the duplication of language (and any possible confusion), but all Rules remain.
Members	5	5 + 13 + 19	We have fully integrated the existing <i>Regulations for Membership</i> and included a complete narrative of membership composition (categories), removal, and membership administration. All reference to regions (in a governance context) have been removed, following the Board's agreement to remove geographic qualifications for Directorship.
General Meetings	6	14 + 15	No changes to the Rules, only a rearrangement of sections to ensure a logical flow of information which directly relates to the membership.
Quorum	7	14 + 16	
Annual General Meetings	8	16	
Voting	9	17	

Powers and Duties of the Board of Directors	10	8 + 11	Revised articulation of the Board's purpose to reflect the Board's refreshed governance terms of reference. Removal of references to the role of the Chief Executive because in governance terms, the Chief Executive is classed as an employee and therefore the role is informed through the delegation of Directors powers (see Rule 4).
Composition, Appointment, and Removal of the Board of Directors	11	8 + 9 + 10 + 12	We have mapped the transition details from 12 to 9 Directors and to a hybrid Board model; and the amalgamation of existing rules in one cohesive narrative.
Proceedings of the Board	12	n/a	A new Rule derived from the Board's agreement to incorporate the existing <i>Regulations of the NHBF Board</i> into the Rules.
Committees	13	20	Removed all references to specific committees, allowing the Board the simple remit of creating and dissolving committees as determined by governance requirements.
Regulations	14	21	No material change. An update of language to align with model rules and reordering of the Rules to aid with the logical flow of information.
Alteration of Rules	15	22	
Accounts	16	23	
Audit	17	24	
Annual Return	18	25	
Right of Inspection of Goods	19	26	
Financial Conduct Authority	20	27	
Amalgamation Transfer of Engagements and Dissolution	21	28	

Surplus Assets	22	29	
Dispute Resolution	23	30	No material change. An update of language to align with model rules and reorder of the Rules to aid with the logical flow of information.
Indemnity	24	31	
Insurance	25	32	
Registered Office	26	4	
Copies of Rules	27	33	
Notices	28	34	
Definitions	29	n/a	Inclusion to ensure clarity around wording.

SPECIAL RESOLUTION

That, with the consent of the Financial Conduct Authority, the rules of the Federation be amended as explained above.

TIMING

This Special Resolution is submitted for decision at the Annual General Meeting **on Sunday 14 November 2021**.

NHBF Board of Directors
19 October 2021